

Fill in this information to identify the case:

Debtor Name Mallett Inc

United States Bankruptcy Court for the Southern District of New York



Case number: 21-11619

☐ Check if this is an amended filing

Official Form 425C

Monthly Operating Report for Small Business Under Chapter 11

12/17

Month: August 2023

Date report filed:

MM / DD / YYYY

Line of business: _____

NAISC code: _____

In accordance with title 28, section 1746, of the United States Code, I declare under penalty of perjury that I have examined the following small business monthly operating report and the accompanying attachments and, to the best of my knowledge, these documents are true, correct, and complete.

Responsible party:

Original signature of responsible party

Printed name of responsible party

Graham Shircore

1. Questionnaire

Answer all questions on behalf of the debtor for the period covered by this report, unless otherwise indicated.

	Yes	No	N/A
If you answer No to any of the questions in lines 1-9, attach an explanation and label it Exhibit A.			
1. Did the business operate during the entire reporting period?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Do you plan to continue to operate the business next month?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Have you paid all of your bills on time?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Did you pay your employees on time?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5. Have you deposited all the receipts for your business into debtor in possession (DIP) accounts?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. Have you timely filed your tax returns and paid all of your taxes?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Have you timely filed all other required government filings?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8. Are you current on your quarterly fee payments to the U.S. Trustee or Bankruptcy Administrator?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Have you timely paid all of your insurance premiums?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If you answer Yes to any of the questions in lines 10-18, attach an explanation and label it Exhibit B.			
10. Do you have any bank accounts open other than the DIP accounts?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Have you sold any assets other than inventory?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
12. Have you sold or transferred any assets or provided services to anyone related to the DIP in any way?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
13. Did any insurance company cancel your policy?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. Did you have any unusual or significant unanticipated expenses?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
15. Have you borrowed money from anyone or has anyone made any payments on your behalf?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16. Has anyone made an investment in your business?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Debtor Name Mallett IncCase number 21-11619

17. Have you paid any bills you owed before you filed bankruptcy?

☐ ☒ ☐

18. Have you allowed any checks to clear the bank that were issued before you filed bankruptcy?

☐ ☒ ☐

2. Summary of Cash Activity for All Accounts

19. Total opening balance of all accounts

\$ 509,304.51

This amount must equal what you reported as the cash on hand at the end of the month in the previous month. If this is your first report, report the total cash on hand as of the date of the filing of this case.

20. Total cash receipts

Attach a listing of all cash received for the month and label it *Exhibit C*. Include all cash received even if you have not deposited it at the bank, collections on receivables, credit card deposits, cash received from other parties, or loans, gifts, or payments made by other parties on your behalf. Do not attach bank statements in lieu of *Exhibit C*.

Report the total from *Exhibit C* here.

\$ 0.00

21. Total cash disbursements

Attach a listing of all payments you made in the month and label it *Exhibit D*. List the date paid, payee, purpose, and amount. Include all cash payments, debit card transactions, checks issued even if they have not cleared the bank, outstanding checks issued before the bankruptcy was filed that were allowed to clear this month, and payments made by other parties on your behalf. Do not attach bank statements in lieu of *Exhibit D*.

Report the total from *Exhibit D* here.

- \$ 0.00

22. Net cash flow

Subtract line 21 from line 20 and report the result here.

This amount may be different from what you may have calculated as *net profit*.

+ \$ 0.00

23. Cash on hand at the end of the month

Add line 22 + line 19. Report the result here.

Report this figure as the *cash on hand at the beginning of the month* on your next operating report.

This amount may not match your bank account balance because you may have outstanding checks that have not cleared the bank or deposits in transit.

= \$ 509,304.51

3. Unpaid Bills

Attach a list of all debts (including taxes) which you have incurred since the date you filed bankruptcy but have not paid. Label it *Exhibit E*. Include the date the debt was incurred, who is owed the money, the purpose of the debt, and when the debt is due. Report the total from *Exhibit E* here.

24. Total payables

\$ 25,992.00

(*Exhibit E*)

Debtor Name Mallett Inc

Case number 21-11619

4. Money Owed to You

Attach a list of all amounts owed to you by your customers for work you have done or merchandise you have sold. Include amounts owed to you both before, and after you filed bankruptcy. Label it *Exhibit F*. Identify who owes you money, how much is owed, and when payment is due. Report the total from *Exhibit F* here.

25. **Total receivables** \$ 0.00
(Exhibit F)

5. Employees

26. What was the number of employees when the case was filed? 0
27. What is the number of employees as of the date of this monthly report? 0

6. Professional Fees

28. How much have you paid this month in professional fees related to this bankruptcy case? \$ 0.00
29. How much have you paid in professional fees related to this bankruptcy case since the case was filed? \$ 0.00
30. How much have you paid this month in other professional fees? \$ 0.00
31. How much have you paid in total other professional fees since filing the case? \$ 0.00

7. Projections

Compare your actual cash receipts and disbursements to what you projected in the previous month. Projected figures in the first month should match those provided at the initial debtor interview, if any.

	Column A		Column B		Column C
	Projected	—	Actual	=	Difference
	Copy lines 35-37 from the previous month's report.		Copy lines 20-22 of this report.		Subtract Column B from Column A.
32. Cash receipts	\$ <u> </u>	—	\$ <u> </u>	=	\$ <u> </u>
33. Cash disbursements	\$ <u> </u>	—	\$ <u> </u>	=	\$ <u> </u>
34. Net cash flow	\$ <u> </u>	—	\$ <u> </u>	=	\$ <u> </u>
35. Total projected cash receipts for the next month:					\$ <u> </u>
36. Total projected cash disbursements for the next month:					— \$ <u> </u>
37. Total projected net cash flow for the next month:					= \$ <u> </u>

Debtor Name Mallett Inc

Case number 21-11619

8. Additional Information

If available, check the box to the left and attach copies of the following documents.

- ☒ 38. Bank statements for each open account (redact all but the last 4 digits of account numbers).
- ☒ 39. Bank reconciliation reports for each account.
- ☒ 40. Financial reports such as an income statement (profit & loss) and/or balance sheet.
- ☐ 41. Budget, projection, or forecast reports.
- ☐ 42. Project, job costing, or work-in-progress reports.

**Mallet Inc - Chapter 11
Profit and Loss
From 1 August 2023 to 31 August 2023**

Financial Row	Total Amount
Ordinary Income/Expense	
Income	
56100 - Rental income	\$0.00
Total - Income	\$0.00
Gross Profit	\$0.00
Expense	
75000 - Legal and professional	
75150 - Tax fees	\$0.00
75300 - Other professional fees	\$0.00
Total - 75000 - Legal and professional	\$0.00
76000 - IT	
76300 - Phone	\$0.00
Total - 76000 - IT	\$0.00
77000 - Establishment & admin	
77100 - Establishment	
77120 - Rates	\$0.00
77140 - Electricity	\$0.00
77150 - Gas & oil	\$0.00
77160 - Repairs & maintenance	\$0.00
77200 - Insurance	\$0.00
Total - 77100 - Establishment	\$0.00
77500 - Admin	
77580 - Miscellaneous Expenses	\$0.00
Total - 77500 - Admin	\$0.00
Total - 77000 - Establishment & admin	\$0.00
79000 - Depreciation	
79200 - Leasehold depreciation	\$0.00
79800 - IFRS 16 Asset depreciation	\$0.00
Total - 79000 - Depreciation	\$0.00
84000 - Exceptional Costs	
84100 - Corporate Fees	\$0.00
Total - 84000 - Exceptional Costs	\$0.00
Total - Expense	\$0.00
Net Ordinary Income	\$0.00
Other Income and Expenses	
Other Expense	
82000 - Interest expense	
82900 - Other interest paid	\$0.00
Total - 82000 - Interest expense	\$0.00
Unrealized Gain/Loss	\$0.00
Total - Other Expense	\$0.00
Net Other Income	\$0.00
Net Income	\$0.00

Mallet Inc Balance Sheet	Mallet Inc Balance Sheet End of July 2023	Mallet Inc Balance Sheet End of August 2023	Movement in month
Financial Row	Amount	Amount	
ASSETS			
Current Assets			
Bank			
DIP account	\$3,509,444.19	\$3,509,444.19	\$0.00
28695 - CBRE Property Account			\$0.00
28696 - LSB IOLTA			\$0.00
Total Bank	\$3,509,444.19	\$3,509,444.19	\$0.00
Accounts Receivable			
25000 - Intercompany Debtor			
25135 - Owed from SG Ltd (Non NS)	\$30,927.66	\$30,927.66	\$0.00 Intergroup debtors
25260 - Owed from TFAAG (Non NS)	\$4,816.65	\$4,816.65	\$0.00 Intergroup debtors
25290 - Owed from AHB (Non NS)	\$6,000.00	\$6,000.00	\$0.00 Intergroup debtors
25375 - Owed from Milsom Street Limited (MAS)	\$13,122.00	\$13,122.00	\$0.00 Intergroup debtors
Total - 25000 - Intercompany Debtor	\$54,866.31	\$54,866.31	\$0.00
Total Accounts Receivable	\$54,866.31	\$54,866.31	\$0.00
Other Current Asset			
23000 - Prepayments			
23100 - Rent & rates	\$56,665.70	\$56,665.70	\$0.00 Prepayment re property taxes
Total - 23000 - Prepayments	\$56,665.70	\$56,665.70	\$0.00
24000 - Other debtors			
24800 - Sundry Debtors	\$120,796.33	\$120,796.33	\$0.00 Rent deposit with 929 Madison & utility deposits
24850 - Provision for Bad Debts	(\$120,796.33)	(\$120,796.33)	\$0.00 Provision against above
Total - 24000 - Other debtors	\$0.00	\$0.00	\$0.00
24550 - IFRS 16 RoU Asset	\$3,653,635.25	\$3,653,635.25	\$0.00 Right of use asset - IFRS 156 accounting
Total Other Current Asset	\$3,710,300.95	\$3,710,300.95	\$0.00
Total Current Assets	\$7,274,611.45	\$7,274,611.45	\$0.00
Fixed Assets			
13000 - Leasehold			
13100 - Leasehold cost	\$4,159,921.78	\$4,159,921.78	\$0.00 Leasehold improvements, fittings etc 929 Madison avenue
13150 - Leasehold accumulative depreciation	(\$3,090,587.66)	(\$3,090,587.66)	\$0.00
Total - 13000 - Leasehold	\$1,069,334.12	\$1,069,334.12	\$0.00
15000 - Vehicles and plant & machinery			
15200 - Plant and machinery cost	\$19,878.30	\$19,878.30	\$0.00
15250 - Plant and machinery accumulative deprecia	(\$19,878.30)	(\$19,878.30)	\$0.00
Total - 15000 - Vehicles and plant & machinery	\$0.00	\$0.00	\$0.00
Total Fixed Assets	\$1,069,334.12	\$1,069,334.12	\$0.00
Total ASSETS	\$8,343,945.57	\$8,343,945.57	\$0.00
Liabilities & Equity			
Current Liabilities			
Accounts Payable			
32000 - Accounts Payable (Combined)			
32100 - Accounts Payable	\$64,089.01	\$64,089.01	\$0.00 Third party creditors
Total - 32000 - Accounts Payable (Combined)	\$64,089.01	\$64,089.01	\$0.00
35000 - Intercompany Creditor			
35105 - Owed to SG Group (Non NS)	(\$2,658.16)	(\$2,658.16)	\$0.00 Intergroup creditors
35135 - Owed to SG Ltd (Non NS)	\$305,432.21	\$305,432.21	\$0.00 Intergroup creditors
35260 - Owed to TFAAG (Non NS)	\$712,857.60	\$712,857.60	\$0.00 Intergroup creditors
35270 - Owed to Mallett (Non NS)	\$6,625,839.94	\$6,625,839.94	\$0.00 Intergroup creditors
35370 - Owed to Milsom Street Limited (MAS) (N)	\$215,156.67	\$215,156.67	\$0.00 Intergroup creditors
35380 - Owed to Dover Street Limited (MLTD) (N)	\$72,410.44	\$72,410.44	\$0.00 Intergroup creditors
35385 - Owed to Octagon Chapel (MOS) (Non N)	\$3,959,176.72	\$3,959,176.72	\$0.00 Intergroup creditors
35390 - Owed to Mallett Dormants (Non NS)	\$1,000.00	\$1,000.00	\$0.00 Intergroup creditors
Total - 35000 - Intercompany Creditor	\$11,889,215.42	\$11,889,215.42	\$0.00
Total Accounts Payable	\$11,953,304.43	\$11,953,304.43	\$0.00
Total Current Liabilities	\$11,953,304.43	\$11,953,304.43	\$0.00
Long Term Liabilities			
34700 - IFRS 16 Lease Liability	\$5,962,437.33	\$5,962,437.33	\$0.00 Full term lease liability to Feb 27 - for IFRS 16 purposes.
Total Long Term Liabilities	\$5,962,437.33	\$5,962,437.33	\$0.00
Equity			
42300 - Ordinary Share Capital	\$500,000.00	\$500,000.00	\$0.00
Retained Earnings	(\$11,290,396.99)	(\$11,290,396.99)	\$0.00
Net Income	\$1,218,600.80	\$1,218,600.80	\$0.00
Total Equity	(\$9,571,796.19)	(\$9,571,796.19)	\$0.00
Total Liabilities & Equity	\$8,343,945.57	\$8,343,945.57	\$0.00

Mallett Inc – 21-11619 – August 2023

Exhibit A

Bills that have not been paid are for our professional adviser Mazars who prepare company tax returns.

Aug-23

Exhibit E - Unpaid Bills

	\$ Due	
New Your State - Department of Taxation and Finance	375.00	Tax installment payment (Mandatory) for period 31 March 2021
Mazars	5,085.00	31-Dec-21 Professional fees related to 2021 Tax returns
Mazars	11,350.00	31-Jan-22 Professional fees related to 2021 Tax returns
Mazars	8,035.00	28-Feb-22 Professional fees related to 2021 Tax returns
Mazars	1,147.00	31-Mar-22 Professional fees related to 2021 Tax returns
Total expenses	25,992.00	

Signature

SIGNATURE BANK
565 Fifth Avenue, 12th Floor
New York, NY 10017

System Date
From August 01, 2023
To August 31, 2023
Page 1 of 2

PRIVATE CLIENT GROUP 264
50 WEST 57TH STREET
NEW YORK, NY 10019

MALLETT INC DIP
DEBTOR IN POSSESSION
CASE NUMBER 21-11619
C/O LESTER BLECKNER & SHAW LLP
350 FIFTH AVE SUITE 3301
NEW YORK NY 10118 999

8-264

See Back for Important Information

Primary Account: [REDACTED] 4664 0

BEGINNING AUGUST 9TH, SIGNATURE INTERNET BANKING WILL BECOME
FLAGSTAR COMMERCIAL PRIVATE INTERNET BANKING. LOG IN AT
FLAGSTAR.COM/COMMERCIAL-PRIVATE AND YOU WILL BE ABLE TO
USE THE SAME LOGIN CREDENTIALS THAT YOU HAVE BEEN USING
FOR SIGNATURE INTERNET BANKING.

Signature Relationship Summary		Opening Bal.	Closing Bal.
BANK DEPOSIT ACCOUNTS			
[REDACTED] 4664	BANKRUPTCY CHECKING	3,509,304.51	3,509,304.51
RELATIONSHIP	TOTAL		3,509,304.51

Signature

SIGNATURE BANK
565 Fifth Avenue, 12th Floor
New York, NY 10017

From August 01, 2023
To August 31, 2023
Page 2 of 2

PRIVATE CLIENT GROUP 264
50 WEST 57TH STREET
NEW YORK, NY 10019

MALLET INC DIP
DEBTOR IN POSSESSION
CASE NUMBER 21-11619
C/O LESTER BLECKNER & SHAW LLP
350 FIFTH AVE SUITE 3301
NEW YORK NY 10118 999

8-264

See Back for Important Information

Primary Account: [REDACTED] 4664 0

BANKRUPTCY CHECKING [REDACTED] 4664

Summary

Previous Balance as of August	01, 2023	3,509,304.51
There was no deposit activity during this statement period		
Ending Balance as of	August 31, 2023	3,509,304.51